**Amendments to the Claims:**

This listing of claims will replace all prior versions, and listings, of claims in the application:

**Listing of Claims:**

Claim 1. (currently amended) A method of configuring and associating a value card having machine readable code comprising the steps of:

(a) displaying value card configuration options on a display;

(b) recording customer selections of the value card configuration options in a memory; ~~and~~

(c) sending the selections to a value card host computer for later retrieval during a transaction in which the value card is used for payment;

(d) receiving at the value card host computer a data signal based upon machine reading of the value card machine readable code; and

(e) associating the data in the data signal with the stored selections.

Claim 2. (currently amended) The method as recited in claim 1, further comprising the step of:

(f) ~~(d)~~ recording payment from a customer.

Claim 3. (currently amended) The method as recited in claim 1, wherein step (a) comprises ~~the substep of~~:

displaying first value card configuration options within a group of second value card configuration options including total monetary value, payment amount limit at each transaction, individual goods and services, individual goods and services providers, categories of goods and services, categories of goods and services providers, and purchase times and dates.

Claim 4. (original) The method as recited in claim 1, wherein step (c) comprises the substep of sending the selections over a TCP/IP connection to a computer at the value card host.

Claim 5. (original) The method as recited in claim 1, wherein step (c) comprises the substep of sending the selections over a phone connection to a computer at the value card host.

Claim 6. (original) The method as recited in claim 1, wherein step (c) comprises the substep of sending the selections over a network connection to a computer at the value card host.

Claim 7. (currently amended) A method of configuring a value card having machine readable code comprising the steps of:

(a) displaying value card configuration options on a display;

(b) recording customer selections of the value card configuration options in a memory;

(c) assigning a value card identification number to the value card;

(d) writing data associated with the value card identification number into the value card machine readable code;

(e) dispensing the value card; and

(f) ~~(e)~~ sending the selections and the value card identification number to a value card host computer for storage in a memory and for later retrieval during a transaction in which the value card is used for payment.

Claim 8. (currently amended) The method as recited in claim 7, further comprising the step of:

(g) ~~(f)~~ recording payment from a customer.

Claim 9. (currently amended) The method as recited in claim 7, further comprising the steps of:

(g) ~~(f)~~ determining a value card password; and

(h) ~~(g)~~ sending the value card password to the value card host.

Claim 10. (currently amended) The method as recited in claim 7, wherein step (f) ~~(e)~~ comprises the substep of sending the selections over a network connection to a computer at the value card host.

Claim 11. (original) The method as recited in claim 7, wherein step (f) ~~(e)~~ comprises the substep of sending the selections over a phone connection to a computer at the value card host.

Claim 12. (currently amended) A method of configuring a value card having machine readable code comprising the steps of:

(a) machine reading value card identification information from the value card machine readable code;

(b) sending the value card identification information to a value card host;

(c) obtaining value card configuration information from the value card host;

(d) displaying value card configuration options including first customer selections from the value card configuration information;

(e) recording second customer selections of the value card configuration options; and

(f) sending the second customer selections to the value card host for later retrieval during a transaction in which the value card is used for payment.

Claim 13. (original) The method as recited in claim 12, further comprising the step of:

(g) recording payment from a customer.

Claim 14. (original) The method as recited in claim 12, further comprising the steps of:

(g) determining a value card password from the value card configuration information; and

(h) recording successful customer entry of the value card password prior to completing steps (d) through (f).

Claim 15. (original) The method as recited in claim 12, wherein step (f) comprises the substep of sending the second customer selections over a phone connection to a computer at the value card host.

Claim 16. (original) The method as recited in claim 12, wherein step (f) comprises the substep of sending the second customer selections over a network connection to a computer at the value card host.

Claim 17. (currently amended) A value card configuration system comprising:

a display for displaying value card configuration options;

an input device for recording customer selections of the value card configuration options;

a machine code reader operable to machine read a value card with machine readable code and to produce a data signal based upon machine reading of the value card machine readable code; and

a computer for controlling the display and the input device, for receiving the data signal, and for sending the selections to a value card host computer for later retrieval during a transaction in which the value card is used for payment.

Claim 18. (original) The system as recited in claim 17, further comprising:

means for accepting payment from a customer.

Claim 19. (original) The system as recited in claim 17, further comprising:

a connection to another computer at the value card host.

Claim 20. (currently amended) A value card configuration system comprising:

a display for displaying value card configuration options;

an input device for recording customer selections of the value card configuration options; and

a computer for controlling the display and the input device, for assigning a value card identification number to a ~~the~~ value card configured to be encoded with machine readable code, for encoding the value card with machine readable code comprising the value card identification number, for dispensing the value card, for establishing a connection to a value card host computer, and for sending the selections to the value card host computer via the connection for later retrieval during a transaction in which the value card is used for payment.

Claim 21. (original) The system as recited in claim 20, wherein the display displays first value card configuration options within a group of second value card configuration options including total monetary value, payment amount limit at each transaction, individual goods and services, individual goods and services providers, categories of goods and services, categories of goods and services providers, and purchase times and dates.

Claim 22. (original) A value card configuration system comprising:

a card reader for reading value card identification information from the value card;

a display for displaying value card configuration options including first customer selections from the value card configuration information;

an input device for recording second customer selections of the value card configuration options; and

a computer for controlling the card reader and the display and the input device, for establishing a connection to a value card host computer, for sending the value card identification information to the value card host computer via the connection, for obtaining value card configuration information from the value card host computer, for sending the second customer selections to the value card host computer for later retrieval during a transaction in which the value card is used for payment.

Claim 23. (original) The system as recited in claim 22, wherein the computer also determines a value card password from the value card configuration information, and records successful customer entry of the value card password prior to the display of the first customer selections and the recording of the second customer selections.

Claim 24. (new) A value card configuration system comprising:

a host computer programmed to

(i) receive a first plurality of value card configuration settings selected by a user from value card configuration options associated with a first transaction,

(ii) receive a password associated with the first transaction,

(iii) associate the first plurality of value card configuration settings with the password associated with the first transaction,

(iv) store the received first plurality of value card configuration settings,

(v) store the received password associated with the first transaction,

(vi) receive a second plurality of value card configuration settings selected by a user from value card configuration options during a second transaction,

(vii) receive a password associated with the second transaction,

(viii) receive a data signal based upon machine reading during the second transaction of a value card machine readable code; and

(ix) associate the password associated with the second transaction with the password associated with the first transaction based upon the received data signal,

(x) compare the password associated with the second transaction with the password associated with the first transaction, and

(viii) update the stored first plurality of value card configuration settings with the received second plurality of value card configuration settings if the password associated with the second transaction matches the password associated with the first transaction.

Claim 25. (new) The value card configuration system of claim 24, wherein the host computer is further programmed to:

associate a value card identification number with the first plurality of value card configuration settings;

receive transaction terms and a value card identification number associated with the transaction terms;

match the value card identification number associated with the transaction terms with the value card identification number associated with the first plurality of value card configuration settings;

compare the transaction terms to the stored first plurality of value card configuration settings; and

accept the transaction if the transaction terms meet the stored first plurality of value card configuration settings.

Claim 26. (new) The value card configuration system of claim 25, wherein the host computer is operable to receive the value card identification number associated with the transaction terms from a value card reader at a vendor location.